

ENTERED

February 24, 2025

Nathan Ochsner, Clerk

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:

WELLPATH HOLDINGS, INC., *et al.*,¹

Debtors.

Chapter 11

Case No. 24-90533 (ARP)

(Jointly Administered)

**STIPULATION AND AGREED ORDER BETWEEN
THE DEBTORS, THE STATUTORY UNSECURED CLAIMHOLDERS'
COMMITTEE, THE PREPETITION AGENTS, AND THE REQUISITE
PREPETITION LENDERS EXTENDING THE CHALLENGE PERIOD**

The above-captioned debtors and debtors in possession (collectively, the “Debtors”), the Statutory Unsecured Claimholders’ Committee (the “Committee”), the undersigned Prepetition Agents,² and the requisite Prepetition Lenders (the requisite Prepetition Lenders, together with the Debtors, the Committee, and the undersigned Prepetition Agents, collectively, the “Parties”), hereby enter into this stipulation and agreed order (this “Stipulation”) and stipulate and agree as follows:

RECITALS

1. On November 11, 2024 (the “Petition Date”), the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code.

¹ A complete list of the debtors in these chapter 11 cases may be obtained on the website of the debtors’ claims and noticing agent at <https://dm.epiq11.com/Wellpath>. The debtors’ service address for these chapter 11 cases is 3340 Perimeter Hill Drive, Nashville, Tennessee 37211.

² Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the *Final Order (I) Authorizing the Debtors to (A) Obtain Postpetition Financing, and (B) Use Cash Collateral; (II) Granting Liens and Providing Superpriority Administrative Expense Claims; (III) Granting Adequate Protection to the Prepetition Secured Parties; (IV) Modifying the Automatic Stay; and (V) Granting Related Relief* [Docket No. 388] (the “Final DIP Order”).

2. The Debtors are operating their businesses and managing their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

3. On November 25, 2024, the Office of the United States Trustee for the Southern District of Texas (the “U.S. Trustee”) appointed the Committee pursuant to section 1102 of the Bankruptcy Code. *See Notice of Appointment of Committee of Unsecured Creditors* [Docket No. 169].

4. On December 11, 2024, the Court entered the Final DIP Order. Subject to the limitations set forth in the Final DIP Order, including in paragraph 26 of the Final DIP Order, the Debtors represented, admitted, stipulated and agreed to the amount of the Prepetition Secured Obligations and to the validity, perfection and enforceability of the Prepetition Liens and the scope of the Prepetition Collateral and waived, discharged and released any right of the Debtors to challenge any of the Prepetition Secured Obligations, the priority of the applicable Debtors’ obligations thereunder, and the validity, extent and priority of the Prepetition Liens securing the Prepetition Secured Obligations.

5. Pursuant to paragraph 26 of the Final DIP Order, the stipulations, admissions, waivers and releases referenced above and contained in paragraph E of the Final DIP Order are deemed binding upon the Debtors (including their representatives) and any successors and assigns thereto, including any official committee of unsecured creditors, or any chapter 7 or chapter 11 trustee appointed or elected for any of the Debtors, unless such party with requisite standing granted by an order of this Court (or such other court of competent jurisdiction), has duly filed a Challenge against the Prepetition Secured Parties or any such parties’ respective affiliates or representatives in connection with any matter related to the Prepetition Credit Documents, the

Prepetition Collateral, the Prepetition Liens or the Prepetition Secured Obligations by the end of the Challenge Period.

6. Prior to expiration of the Challenge Period in a letter dated February 16, 2025 (the “February 16 Letter”), the Committee raised with the Debtors and the Ad Hoc Lender Group certain issues concerning the validity, scope, perfection and enforceability of certain of the Prepetition Liens and the Prepetition Secured Obligations, and the Debtors and the Prepetition Agents (acting at the direction of the requisite Prepetition Lenders) subsequently agreed to extend the Challenge Period solely for the benefit of the Committee to allow the parties additional time to consensually resolve such issues.³

7. Paragraph 26 of the Final DIP Order established February 24, 2025 as the deadline for the Committee to timely file an adversary proceeding or contested matter asserting a Challenge in accordance with the Final DIP Order.

8. Pursuant to Paragraph 26(a) of the Final DIP Order, the Challenge Period may be extended if agreed to in writing by each of the Debtors and Prepetition Agents, acting at the direction of the requisite Prepetition Lenders.

9. The Debtors and the Prepetition Agents, at the direction of the requisite Prepetition Lenders, hereby agree to extend the Challenge Period with respect to the Committee, solely with respect to the matters previously identified by counsel to the Committee, on the terms set forth herein.

³ The Committee reserves its rights to argue that the challenges and causes of action raised in the February 16 Letter are not subject to the Challenge Period, including because they do not require use of the Debtors’ avoidance powers under chapter 5 of the Bankruptcy Code, the Committee has standing to bring such challenge without obtaining derivative standing, and they could be brought by the Committee at any time as a claim objection. The Debtors, the Prepetition Agents and the Prepetition Lenders reserve their rights to argue to the contrary. Further, the Debtors’, the Prepetition Agents’ and the Prepetition Lenders’ rights to argue that the Challenge Period has expired with respect to any issues not raised in the February 16 Letter and that the Committee has waived all rights to assert any Challenge not expressly contemplated in the February 16 Letter are hereby preserved.

**IT IS HEREBY STIPULATED AND AGREED BETWEEN THE PARTIES, AND
UPON APPROVAL BY THE COURT OF THIS STIPULATION, THE FOLLOWING IS
SO ORDERED:**

1. This Stipulation is effective and enforceable against each of the Parties immediately upon execution.

2. The foregoing recitals are hereby incorporated by reference into this Stipulation.

3. The Challenge Period, solely with respect to the Committee is hereby extended from February 24, 2025, to and including March 31, 2025.

4. Notwithstanding anything to the contrary contained in the Final DIP Order, the Debtors' right to use Cash Collateral is unaltered by this Stipulation.

5. Except as expressly set forth in this Stipulation, nothing herein shall (or shall be deemed to) modify, amend or derogate from the Final DIP Order and all Parties' respective rights, remedies, and limitations thereunder shall remain unaffected.

6. Except as explicitly provided for herein, this Stipulation does not create any rights for the benefit of any third party, creditor, equity holder, or any direct, indirect, third party or incidental beneficiary.

7. This Stipulation may be executed and delivered (including by facsimile or portable document format transmission) in one or more counterparts, and by the different Parties hereto in separate counterparts, each of which when executed shall be deemed to be an original, but all of which taken together will constitute one and the same agreement.

8. The undersigned hereby represent and warrant that they have full authority to execute this Stipulation on behalf of the respective Parties and that the respective Parties have full knowledge of and have consented to this Stipulation.

9. Any Bankruptcy Rule or Bankruptcy Local Rule that might otherwise delay the effectiveness of this Order is hereby waived, and the terms and conditions of this Order shall be effective and enforceable immediately upon its entry.

10. The Debtors are authorized to take any action necessary or appropriate to implement and effectuate the terms of, and the relief granted in, this Order without seeking further order of this Court.

11. This Court retains exclusive jurisdiction over any matter arising from or related to the implementation, interpretation, and enforcement of this Order.

Signed: February 24, 2025


Alfredo R Pérez
United States Bankruptcy Judge

STIPULATED AND AGREED TO BY:

Dated: February 24, 2025
Dallas, Texas

MCDERMOTT WILL & EMERY LLP, on behalf of
the Debtors

/s/ Marcus A. Helt

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Counsel to the Ad Hoc Lender Group

Certificate of Service

I certify that, on February 24, 2025 I caused a copy of the foregoing document to be served via the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Marcus A. Helt

Marcus A. Helt